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COMMANDERS DIGEST

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Secretary Laird Voices Concern

Major Budget Decisions Face Defense Planners

The Defense budget and decisions facing Defense leaders on future spending highlighted an address by Secretary of Defense Melvin R. Laird before the Economic Club of New York, Nov. 17.

Referring to the budget for the current fiscal year, Secretary Laird noted, "It was a transitional budget intended to hold the line as we took stock of the capabilities of our forces and of the threats to our security."

He pointed out, "I see some strong and convincing evidence for possible Defense budget increases in order to meet urgent requirement, many of them too long deferred." Following is his address:

Seven years ago, almost to the day, one of my distinguished predecessors in the office which I am now privileged to hold addressed the Economic Club of New York. On that occasion, November 18, 1963, Secretary Robert S. McNamara delivered a wide-ranging and thoughtful address on the relative military strength of the United States and the Soviet Union, on the balance of forces in Western Europe, and on threats to peace and security as he viewed them at that time.

On rereading Secretary McNamara's address recently, I found little in it that I could plagiarize for use in my remarks to you this evening, for the fact is the intervening years have brought too many changes.

In 1963, it was possible for the Secretary of Defense to deliver a comprehensive speech containing only one brief, almost parenthetical, remark about Asia.

'If the trend of the past five years continues in the field of strategic weaponry, we will have no alternative but to develop costly new deterrent systems less exposed to destruction by the powerful weapons which the Soviet Union continues to add to its arsenal.'

In 1963, it was possible for the Secretary of Defense to report that the United States possessed across-the-board strategic superiority over the Soviet Union in nuclear weapons systems.

Today, it is not possible to discuss Defense problems without mentioning Southeast Asia. And it is no longer possible to report that we possess an across-the-board superiority over the Soviet Union in strategic weapons.

There are other things, too, that have changed since Secretary McNamara stood in the place which I occupy this evening. In the Middle East, at that time, a high level of tension cer-

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Thanksgiving Day Message To The Armed Forces

On this Thanksgiving Day, let each of us remember the inestimable blessings that he enjoys by virtue of being an American. Of these blessings, none is more prized than freedom and equality. Nowhere else in the world are these rights enjoyed as fully as in our beloved country.

To make these blessings secure, you men and women of the Armed Forces serve our country. For your courage, loyalty, and dedication, your fellow Americans are deeply grateful. On this holiday, they include you in their prayer of Thanksgiving.

Melvin R. Laird

Secretary Chafee Expresses Views On Budget, Vietnam, 'Mood'

Secretary of the Navy John H. Chafee sees many challenges facing the Navy in the months ahead.

For example, there are the budget cuts, anti-military sentiment and perhaps most important to the Navy, the cutbacks in men and ships.

MR. CHAFEE

He told a Chamber of Commerce audience at Corpus Christi, Tex., Oct. 29: ". . . I believe we would be making a mistake if we spent all of our time pondering the difficulties ahead.

"The accomplishments of the past two years have been significant . . . ."

The wind-down of United States involvement in the war in Vietnam, Secretary Chafee said, is "unquestionably the most significant" achievement in the past two years.

He noted that two years ago (January 1969) there were 544,000 Americans in Vietnam. Vietnamization has brought that down and by Christmas (1970) the United States will have withdrawn 200,000 men from Vietnam with an additional reduction of 60,000 planned by April 30, 1971.

"In other words," Mr. Chafee explained, "instead of 544,000 Americans in Vietnam as of January 1969, there will be 284,000 there next Spring—a drop of 264,000 in two years."

Casualties, too, have been reduced substantially, according to Secretary Chafee, who said casualties are running about one-third of those before January 1969 and are lower than at any time in the past four years.

Presenting some Navy and Marine Corps statistics, Secretary Chafee said, "when I assumed my present position in January 1969, there were 36,000 Navymen in Vietnam. Today, there are only about one-half of that number there—19,000. There were 81,000 Marines in Vietnam at that time. Today there are approximately 28,000—a drop of almost two-thirds."

The U.S. Navy, he said, has largely withdrawn from its combat responsibilities in Vietnam. "We have provided training," he said, "to the South Vietnamese Navy to the extent that 560 of the brownwater combat boats in Vietnam have been turned over to them, with less than 100 to go."

Secretary Chafee said President Nixon's five-point peace program was aimed at breaking the log jam in the peace negotiations in Paris. "The President has made clear our determination to move toward peaceful settlement of the war and our willingness to negotiate.

SUPPORT

"I am confident the great majority of the American people are now behind the course we are taking in Vietnam. It makes the most sense and it's getting results."

ANNUAL FIRING—A Nike Hercules missile streaks skyward during the current annual service practice held by elements of the U.S. 38th Artillery Brigade at the Eighth Army Special Sea Range near Taechon, Korea. Missile firing batteries are required to fire annually, assuring equipment and personnel effectiveness. The Nike Hercules is a high-altitude, high-speed air defense missile with command guidance capability. (U.S. Army Photo by SP4 Marvin Randall)

Regarding budget matters, Secretary Chafee pointed out that Defense is taking less of the Federal dollar now than it did before the war in Vietnam. "It is taking less of the Gross National Product than before the war," he said, "yet we are still fighting that war."

He recalled that when he took office the fleet consisted of 934 ships, and then added: "By July of next year (1971) we will have just under 700 ships in the Navy, a net loss of some 235 ships. By the same time we will have cut our manpower by 130,000.'

Secretary Chafee warned, however, that there is a limit "below which we cannot safely go and we will be at that limit by next July. No longer can people proclaim . . . 'just cut the Defense Department some more'."

ANTI-MILITARY MOOD

Discussing America's anti-military mood, the Secretary of the Navy said there is a tendency to blame many of our country's ills on its Armed Forces.

"While we know that this is a psychological phenomenon which frequently occurs during and after unpopular wars, our understanding does not lessen the damage it is doing to the morale of our servicemen and their dependents.

"Our men are no longer accorded the respect to which their sacrifices entitle them," he said. "They are, in fact, frequently treated with hostility and contempt. They feel isolated and left out of their own generation. This has a great deal to do with a basic problem we face—that of attracting the best people and retaining those that we have."

'SPEAK OUT'

He asked his audience to "speak out" when members of the Armed Forces are belittled. "I ask you to remember and remind others that it is only within the perimeter manned by our fighting men that all of us are able to live our lives in comfort and freedom, to pursue happiness, each in our own way. . . .

". . . We should count ourselves fortunate we have the wonderful officers and men presently in our Armed Services. Let's give them the praise and respect they rightfully deserve now—not just when the guns begin to shoot."

SILENCED BELL—Brigadier General Robin Olds, Commandant of Cadets at the Air Force Academy, Colorado Springs, Colo., stands beside bell placed in the Cadet Chapel in recognition of the plight of Prisoners of War and men listed as Missing in Action in North Vietnam. The clapper has been immobilized and the bell will not ring until the PWs and MIAs have been freed.

Silenced

Bell Will Ring Again On Release Of PWs

A bell has been placed in the Cadet Chapel at the Air Force Academy, Colorado Springs, Colo., but it will not ring until Americans that are Prisoners of War or Missing in Action are freed.

The bell was cast in Thailand, and donated to the Red River Valley Fighter Pilots Associations by members of the 388th Tactical Fighter Wing, Korat Royal Thai AFB, Thailand.

The bell will ring at a reunion of the association, nicknamed the "River Rats," after the release of all PWs and MIAs.

Brigadier General Robin Olds, Commandant of Cadets at the Academy, is "Commander-in-Chief" of the River Rats.

Brig. Gen. Olds flew 100 combat missions over North Vietnam from Ubon Royal Thai AFB, Thailand. He was assigned as Commander of the 8th Tactical Fighter Wing in October 1966. He is credited with destroying four MIG aircraft in combat in Southeast Asia.

He became Commandant of Cadets Dec. 1, 1967.

VA Plans To Guarantee, Make Direct Loans For Mobile Homes

The Veterans Administration will begin financing mobile homes for veterans and servicemen starting Dec. 22.

Administrator of Veterans Affairs Donald E. Johnson said PL 91-506, which President Nixon signed Oct. 23, authorizes VA to guarantee or make direct loans for this purpose.

Earlier this year, the President's Committee on the Vietnam Veteran, of which Mr. Johnson was chairman, recommended legislation on mobile home financing. The committee said the legislation was needed to provide "low cost housing for low and moderate income veterans."

The law which provides financing for mobile homes also restores expired G.I. loan benefits to some 8.9 million World War II and Korean Conflict veterans. The law also preserves these benefits for all veterans who served after Jan. 31, 1955 until they are actually used.

Another provision eliminates the .5 per cent funding fee VA formerly required post-Korean veterans to pay on guaranteed and direct home loans. It was emphasized this provision does not affect loans made before Oct. 23.

The law also makes direct loans for specially adapted housing available to seriously disabled veterans in all parts of the country.

The VA Administrator noted that the law on the financing of mobile homes:

- Establishes a special mobile home loan guaranty or direct loan benefit for veterans and servicemen who have not previously used any of their $12,500 home loan guaranty eligibility to purchase conventional homes.
- Provides that if a veteran or serviceman uses his mobile home loan entitlement, he may not otherwise use his $12,500 home loan entitlement until he has repaid the mobile home loan in full.
- Provides that VA may approve loans up to a maximum of $10,000 for a mobile home, and up to $17,500 where a suitable lot to place a mobile home on also is purchased.
- Provides that the VA may guarantee up to 30 per cent of the loan for a mobile home, but use of this guaranteed or direct loan benefit does not reduce the veteran's or serviceman's $12,500 guaranty entitlement.

While emphasizing VA has not had experience in loans for mobile homes, officials expect about 13,000 loans to be made during the first year of the new program.

A Plan For The Future

Foreign Assistance For The Seventies

Dr. John A. Hannah, Administrator for the Agency for International Development (AID), covered President Nixon's proposals for foreign assistance in the decade of the '70s in an address before the National Foreign Policy Conference for Non-governmental Organizations in Washington. Excerpts from his address follow.

On September 15, President Nixon sent to the Congress a landmark message on foreign assistance. This statement on "Foreign Assistance for the Seventies" has several basic purposes:

—It seeks a new mandate from Congress and the American people for foreign aid.

—It asks that our contributions to international development be increased.

—It seeks to focus the attention of the American people on the importance of a **sustained, long-term** effort in which responsibilities are shared in partnership with the developing nations themselves, with other advanced industrial nations, and with international organizations.

PROPOSES REFORMS

The message proposes fundamental reforms in our foreign aid program. If its principal recommendations are accepted by the Congress it will constitute the most complete redirection of the program since the end of the Marshall Plan. The proposed reforms seek to make our assistance programs more effective, more rational, and better attuned to the needs of this decade of the '70s.

● The President proposes to separate the three major components of our assistance into **Security Assistance**, or short-range assistance to governments threatened by aggression or internal dissension, such as Vietnam, Laos, Thailand, or Jordan; **Humanitarian Assistance**, which includes disaster relief and refugee and child feeding programs; and **Economic Assistance** —the heart of our program, which involves long-term loans and technical advice to stimulate, encourage, and assist social and economic development in poor countries.

'The emphasis on research is important. The world lacks adequate answers to many of the major problems facing the developing countries. New techniques are needed to deal with population growth and rising unemployment.'

● The President proposes that we channel an increasing share of our long-term economic assistance through multilateral institutions such as the World Bank, the Regional Banks or the United Nations.

Fifteen years ago, the institutional structure of foreign aid was straightforward. The U. S. bilateral program dominated the scene. The IMF, the World Bank, and many of the U.N. development agencies had barely started operations in the developing countries. Since then, most of the West European countries, Canada, Japan and Australia have become significant donors. At least a dozen multilateral institutions have been founded, in many cases encouraged and helped by the U.S.

The President's proposal to channel an increasing share of our assistance through the multilateral agencies reflects a recognition that these agencies have grown to significance and a common-sense desire to work through them and help to improve their effectiveness. It also reflects President Nixon's intentions to lower the U.S. profile around the world and increasingly work with other nations on a basis of partnership.

NEW ORGANIZATIONS

The President has proposed creation of new institutions to improve the effectiveness of our bilateral aid. A new Development Corporation will be created to carry forward the bilateral loan programs.

Of more significance is the proposed establishment of an International Development Institute. This Institute will seek to apply U.S. technical and scientific expertise to the problems of less-developed countries.

The emphasis on research is important. The world lacks adequate answers to many of the major problems facing the developing countries. New techniques are needed to deal with population growth and rising unemployment, to provide literacy to millions of youths still outside organized school systems, and to continue progress toward increasing food production for the world's burgeoning population.

. . . Dr. Norman Borlaug, an American born in Iowa, educated in Minnesota, and working in Mexico was (recently) awarded the Nobel Peace Prize for his leadership in developing high-yield varieties of wheat and other cereal crops. These wheats and similar short-strawed rices have fueled the "Green Revolution" in the poorer countries. The Philippines has become self-sufficient in rice; Pakistan's wheat crop has increased 50 per cent in two years; India has harvested record crops for two years in a row and produced over 100 million tons of cereal grains this year.

The message calls for better coordination between our trade, aid, and private investment policies.

'. . . Our basic national goal—the creation of a peaceful world—is served in a fundamental and lasting sense by [our efforts to] build self-reliant and productive societies in less-developed countries.'

In proposing these reforms, the message makes the fundamental point that foreign aid is not simply a humanitarian gesture for the benefit of others in these words: ". . . our basic national goal—the creation of a peaceful world—is served in a fundamental and lasting sense by [our efforts to] build self-reliant and productive societies in less-developed countries. Because these countries contain two-thirds of the world's population, the direction which [they] take will profoundly affect the world in which we live. We must respond to the needs of these countries. . . ."

This is the cornerstone on which the message seeks to build a more enduring U.S. commitment to foreign aid.

POPULATION EXPLOSION

To remind ourselves of the urgency, let us take a brief look at the world's population problem. There are now about three and a half billion people in the world—three times the population of a hundred years ago in 1870. In another 100 years, 2070, at the present growth rate, uninterrupted, there could be more than 30 billion people on this earth. If by the year 2040, progress has been made and each family has on the average no more than two children, the world population could stabilize 70 years later in 2110 at about fifteen billion—still an awesome figure and more than four times the present world population. But 15 billion is better than 30 billion. In the best of all probable possibilities, if the world could achieve the two-child family in the next 30 years, the year 2,000 (certainly not an easy task), the world population could stabilize at about 8.2 billion—more than double the present population and an immense burden to place on the earth's resources and man's capacity to live at peace with his fellow man.

We in the U.S. cannot ignore this worldwide problem, and concentrate only on our domestic concerns. It is unrealistic to think that 30 years from now 300 million Americans can live comfortably here while across the continents of Asia, Africa, and Latin America, more than twice the present population—more than seven billions of people—struggle to eke out an existence.

This is part of the rationale behind the President's conclusion that the U.S. has a profound national interest in providing its fair share to the international development effort. There can be no assured peace for Americans unless we join other nations in a continuing effort to develop a stable world order. We cannot ask ourselves what the United States will be like 20 or 40 or 100 years from now without first asking what the world will be like.

CLEAN ENVIRONMENT

In these days there is much public interest and growing emphasis on the importance of clean air, and clean water, and the preservation of adequate open space for recreation. All of us recognize that the solution of these problems must have a very high priority.

When we look at the hard facts, we recognize that polluted air and polluted water ignore and move without hindrance across national boundaries.

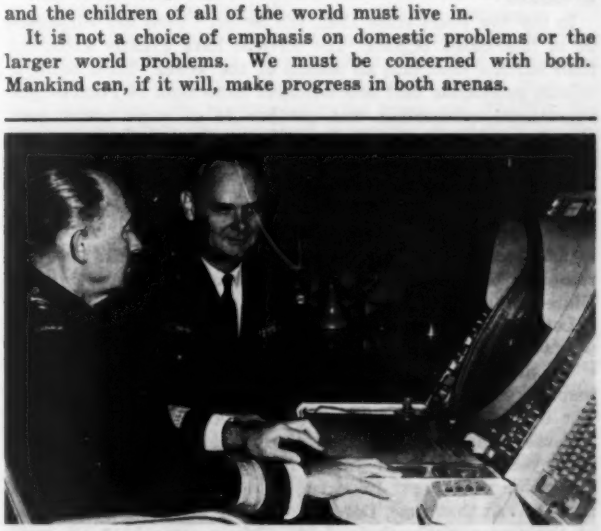
'The seeds of social unrest move about the earth as easily as the germs and bacteria that produce disease, blight or plague.'

We do not have to be very perceptive to see that social unrest also ignores the division lines between States and Nations. The seeds of social unrest move about the earth as easily as the germs and bacteria that produce disease, blight, or plague.

The fundamental dedication and purpose of the international aid programs of the future, under whatever name or organizational pattern, must be to provide lives of improving quality for all people everywhere.

This is the only earth we know. It is the one our children and the children of all of the world must live in.

It is not a choice of emphasis on domestic problems or the larger world problems. We must be concerned with both. Mankind can, if it will, make progress in both arenas.



NORTHERN DEFENDERS—Responsibility for air defense of over two million square miles of North America rests on the shoulders of Canadian Forces Major General Maurice Lipton (left), Commander of the 22nd NORAD Region, and U.S. Air Force Brigadier General James E. Paschall, Deputy Commander. From their underground command post at North Bay, they control the activities of the largest region in NORAD—the joint Canadian-U.S. force charged with the air defense of the North American continent.

Major Budget Decisions Face Defense Planners

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tainly existed, but there had been no major combat for several years. The Soviet Union had not yet established a position as a naval power in the region, nor had it deployed combat military personnel to that region for potential use in operational missions.

In Asia, Communist China had not yet developed a nuclear capability. What seemed to many at the time to be the most dangerous situation in Asia—the conflict in Laos—was widely considered to have been defused by the Geneva Agreements of 1962.

In Latin America, the Soviet Union's bid to establish a missile base in Cuba had ended in a Soviet retreat from the hemisphere—thanks in great part to the strategic superiority which the United States then possessed.

In short, when this audience last heard from a Secretary of Defense, we were not at war. Threats to world peace and to our security seemed relatively remote. Indeed, such threats seemed to be lessening rather than increasing.

SITUATION HAS CHANGED

This description, unfortunately, is much less applicable to the world situation today. Beginning about 1965, with such developments as the intensification of the war in Vietnam and the launching of an accelerated Soviet long-range missile construction program, the threats to peace and security started to mount.

In the five years since 1965, the Soviet Union has surpassed us in land-based ICBMs. The Soviets have greatly expanded their surface fleet into all oceans of the world. Their ballistic missile submarine fleet now numbers more than 14 Polaris-type operational submarines and another 15 or more under construction. At present construction rates, the Soviet Union will match or surpass our Polaris fleet of 41 ships by early 1974.

From 1965 to 1969, while ever-increasing amounts of our Defense resources were diverted to Southeast Asia, the Soviet Union was able to concentrate virtually all of its Defense resources to catching, and in some categories, surpassing the United States.

Let me turn for a moment to some of the budget realities we face in this autumn of 1970.

We are still engaged in war in Southeast Asia. In many respects we live in a more dangerous world today than in 1963. Yet if direct war costs in Southeast Asia are excluded, the Defense budget proposed by the President for the current fiscal year is $8 billion less in real purchasing power than it was seven years ago. Likewise, in relative terms, this budget is lower. At that time, Defense spending absorbed 8.3 per cent of the Gross National Product. This year, only 7 per cent of the Gross National Product goes for Defense.

Our request for the current fiscal year was a rock-bottom estimate of the amount needed to maintain adequate forces in being, to continue the declining scale of American operations in Southeast Asia, and to keep open options for the development and deployment of new weapons systems that may be needed in the future. It was a transitional budget intended to hold the line as we took stock of the capabilities of our forces and of the threats to our security. It has been, and is, the intention of the Nixon Administration to spend not one more dollar for defense than is needed—but also not one dollar less.

'The Nixon Doctrine has many ramifications in terms of force levels, deployments, and future levels of military assistance. For the United States there will be a major shift in the mix of future programs—heavier on technology and modernization, lighter on manpower.'

We in the Department of Defense presently are engaged in the annual task of putting together our budget request for the next fiscal year. We are performing this difficult exercise under the added handicap of not being sure how much Congress will appropriate for the current fiscal year, which began last July 1. This uncertainty does not facilitate wise decision-making or efficient management.

LOOKING AHEAD

We are now planning for actions beyond Fiscal Year 1971, which is a year of transition. We are preparing to make some tough, hard decisions for the decade ahead of us. As expected, our waiting time is running out.

For several reasons, I believe that we cannot look forward to any further significant reductions in total Defense spending. It appears much more likely that the Defense budget must at least remain stable in terms of real purchasing power. I see some strong and convincing evidence for possible Defense budget increases in order to meet urgent requirements, many of them too long deferred.

For example, if the trend of the past five years continues in the field of strategic weaponry, we will have no alternative but to develop costly new deterrent systems less exposed to destruction by the powerful weapons which the Soviet Union continues to add to its arsenal. Our best hope for avoiding the necessity for major increases in spending for new strategic weapons lies in the Strategic Arms Limitation Talks. A verifiable agreement which would effectively limit strategic armaments could make it unnecessary for us to proceed to the development and deployment of new deterrent weapons.

Even without the addition of major new weapons systems to our strategic arsenal, however, there will be inevitable upward pressures on the Defense budget.

Inflation, and resolving past military and civilian pay inequities have had a massive impact upon Defense budgets. The greatest area of Defense price changes, by far, involves our own direct payroll, military and civilian. The average

basic pay of our military personnel has risen over 65 per cent in the past seven years; for civilians, the increase is over 40 per cent. I don't question the need for the pay raises. But their budget impact is startling. In Fiscal Year 1964, payroll and related costs were $22.1 billion. Because of these pay raises and other statutory increases, the cost for the same number of people today would be $32.3 billion— an increase of $10.2 billion without adding a man. And the problem is continuing.

Yet another factor that exerts upward pressure on the Defense budget is the urgent need for modernization of weapons and equipment. We paid for Vietnam in considerable part by not replacing many items as obsolescence overtook them. We must now make up for these years of delay.

One more category in the list of Defense costs that will rise in the future results from the transitions in our Defense structure now underway. The Nixon Doctrine has many ramifications in terms of force levels, deployments, and future levels of military assistance. For the United States there will be a major shift in the mix of future programs—heavier on technology and modernization, lighter on manpower.

TRANSITIONAL BUDGET

As I said, the budget that is currently before the Congress for Fiscal Year 1971, is a transitional budget. It does not provide for many of the new initiatives that will clearly be necessary in the period ahead. We have made the cutbacks in many baseline areas of the Defense budget, consistent with the President's New Foreign Policy, but we have delayed some of the increases that will clearly be necessary. Among such areas are research and modernization, aid to allies, movement toward an all-volunteer force, and improvements in Guard and Reserve forces.

I do not want to give the impression that the Defense budget will take off into the stratosphere. I think that the conduct of the present Administration over the course of the past two years demonstrates its determination to hold a tight rein on Defense spending. But we are equally determined to provide adequate strength for national security.

Since President Nixon took office, a remarkable reduction in Defense spending and a reversal of national budgetary priorities have taken place. In dollars of constant FY 1971 purchasing power, this year's Defense budget is some $17 billion below that of three years ago.

The reductions we have made in the past two years principally result from our policy of partnership in Vietnam under our program of Vietnamization. We have been able to do this because the tempo of the war has declined and because Americans are far less engaged today in Southeast Asia.

COMMANDERS DIGEST
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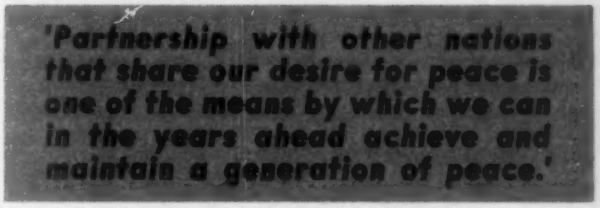
By the spring of next year, we will have cut American troop strength in Vietnam to one-half the number that were there when President Nixon took office. We have succeeded in reducing current American casualties back to the level that existed before heavy commitment of American troops to the region. We have reduced the current cost of Vietnam to one-half or less what it was when President Nixon assumed office.

The partnership policy which made possible the budget cuts of the past two years will be followed and more widely


'Partnership with other nations that share our desire for peace is one of the means by which we can in the years ahead achieve and maintain a generation of peace.'

developed in the future as a major ingredient of the Nixon formula for ensuring national security. In Vietnam, the reduction of American forces will continue. Our expenditures for Southeast Asia will continue to decline.

This partnership, which has worked well in Vietnam, will be further extended in other places. We shall expect other nations to share with us to a greater degree the responsibility, the burdens, and the costs of defense. As this policy of partnership matures, it will mean fewer of our forces will be stationed outside our borders.

The response of the Congress to the President's request for a supplemental appropriation for military assistance will provide a crucial test for the policy of partnership. Without the encouragement and support which these and subsequent military assistance funds would provide to nations that are willing to share the responsibility for peace and stability, the partnership which the President is seeking to make a reality would be stillborn. If this should happen, our country would find itself with no viable middle course to follow between the extremes of becoming the world's policeman or the world's hermit. Either extreme would offer less security for the American people.

Partnership with other nations that share our desire for peace is one of the means by which we can in the years ahead achieve and maintain a generation of peace.

Partnership and strength are two of the three pillars of President Nixon's foreign policy. The third pillar is the policy of negotiation. Clearly, our Defense costs could be cut substantially if the threats which our Defense forces guard against receded. By negotiation, President Nixon has actively sought to bring about an easing of tension and an abatement of threats to peace. We can take pride in the part which our country played to silence the guns in the Middle East and to urge the principal combatants of that region toward the conference table. In Helsinki and Vienna we have been seeking an agreement which would reduce the threat posed by strategic weapons. At Paris, we continue to strive to bring an end to the fighting in Vietnam on fair and honorable terms and to obtain the immediate release and exchange of prisoners of war.

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Major Budget Decisions Face Defense Planners

(Continued From Page Seven)

Nothing would be more welcome than an end to fighting and a relaxation of tension among nations. If this result can be achieved by persistence and patience on our part, we shall achieve it.

In the past 18 months, we have made tremendous strides in our transition from a wartime economy to a peacetime economy.

This transition is not without its problems. Certainly, the retrenchment in the Department of Defense has had a pronounced impact on the economy. Economic dislocations are the inescapable result of reduced employment in the Department of Defense and of curtailed Defense contracts.

Our movement from war to peace in both the FY 1970 and 1971 budgets and the consequent reductions in employment and procurement by the Defense Department will have resulted in the elimination of more than two million jobs, public and private, military and civilian, by June of next year. Further cuts, including additional base closings and personnel reductions, will be necessary early next year if Congress fails to restore a large part of the funds cut from the Defense budget by the House of Representatives. I am hopeful that the Senate will respond favorably to our appeal to restore urgently needed Defense funds. Among other impacts, restoration of these funds will prevent increased personnel turbulence and severe economic impact on additional communities across the nation.

There can be no doubt that an appreciable part of the increase in unemployment over the course of the past year or more reflects the reductions in the Defense budget.

The impact has not been even. It has been felt severely in certain regions and in certain industries and in certain occupations.

I do not wish to minimize the hardship of unemployment for any who find themselves out of work. But it is important to recognize fully the degree to which current unemployment levels result from a move away from war and toward peace.

In a number of ways we are trying to aid those who are displaced from Defense employment. For example, with the cooperation of business leadership and labor organizations, we recently launched the program of Jobs for Veterans. I hope that all of you in this audience will participate in this program which seeks to help our veterans to find an appropriate and rewarding niche in the civilian economy. No group is more deserving of special assistance than these men and women who have served in the Armed Forces.

In summary, we are making progress in moving toward President Nixon's objective of a generation of peace. To succeed in attaining this goal will require an imaginative mix of foreign and military policy, patiently and steadfastly pursued by our Nation's leaders and supported by Congress and the American people.

One indispensable element of our policy must be the maintenance of adequate military strength. That strength cannot be maintained at lower expenditure levels than those to which we have reduced the Defense budget. The price, in fact, may increase somewhat—but it will not be a high price to pay for peace and freedom.

DoD Requests Draft Of 85 Optometrists

The Department of Defense has requested the Selective Service System to provide 85 optometrists for active duty in the Army, Navy and Air Force in 1971.

This requirement is to meet the optometrist needs of the Armed Forces in the coming year and will involve active duty for a period of two years.

This is the fourth special call for optometrists, the first having been made in 1966 for 100, the second in 1968 for 88 and the third in 1969 for 25, which was reduced to 10.

The optometrists called to active duty to meet this request will be assigned as follows: 30 each to the Army and Air Force and 25 to the Navy.

DISCUSSES NATO—General Lyman L. Lemnitzer, USA-ret. (center), addressed the faculty and students of the U.S. Army War College, Carlisle Barracks, Pa., in mid-October, reviewing "NATO Today and Its Future." The former Chairman of the Joint Chiefs of Staff talks with Ambassador Hermann F. Eilts (left), Diplomatic Advisor to the Commandant, Major General George S. Eckhardt, and Brigadier General Wallace C. Magathan Jr., Deputy Commandant.

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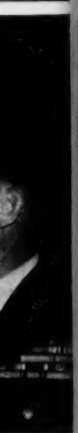

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